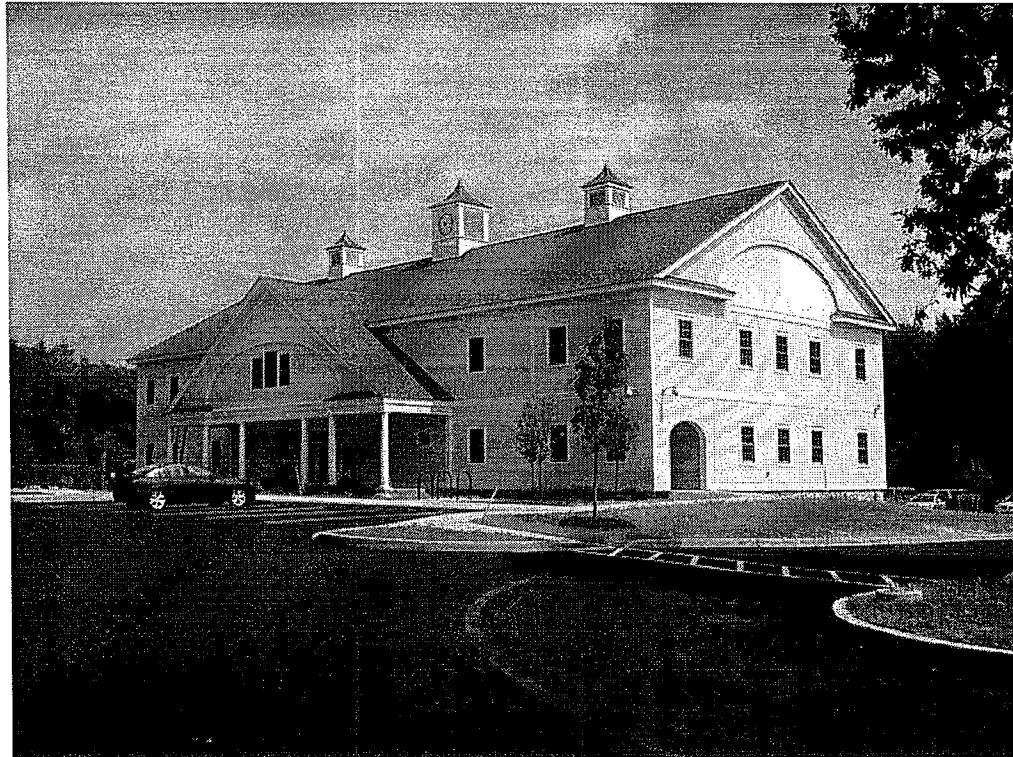


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# Town of Colchester

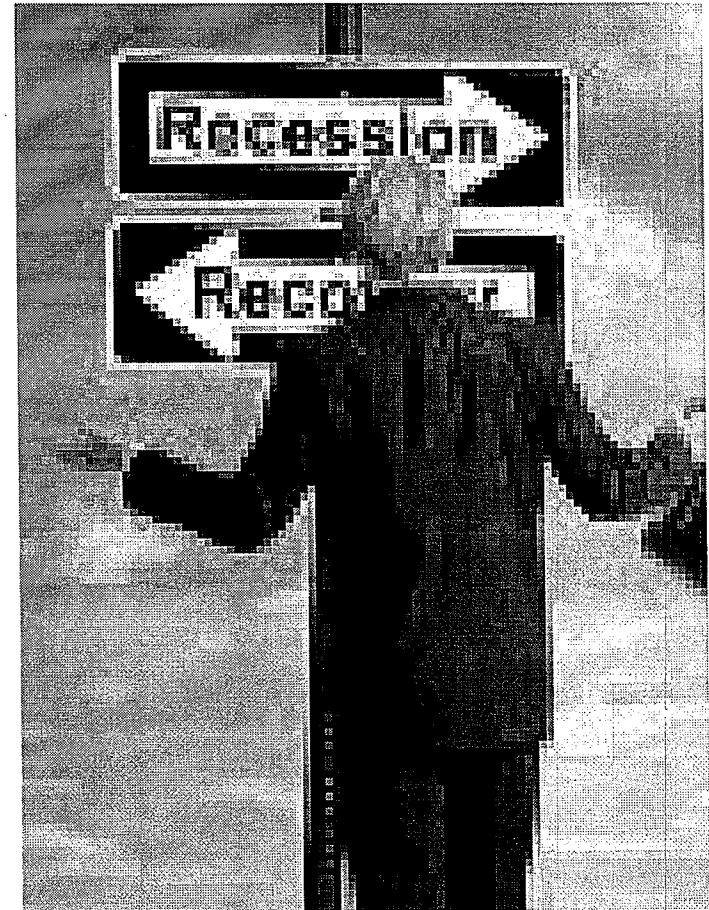


## FY 12 Budget

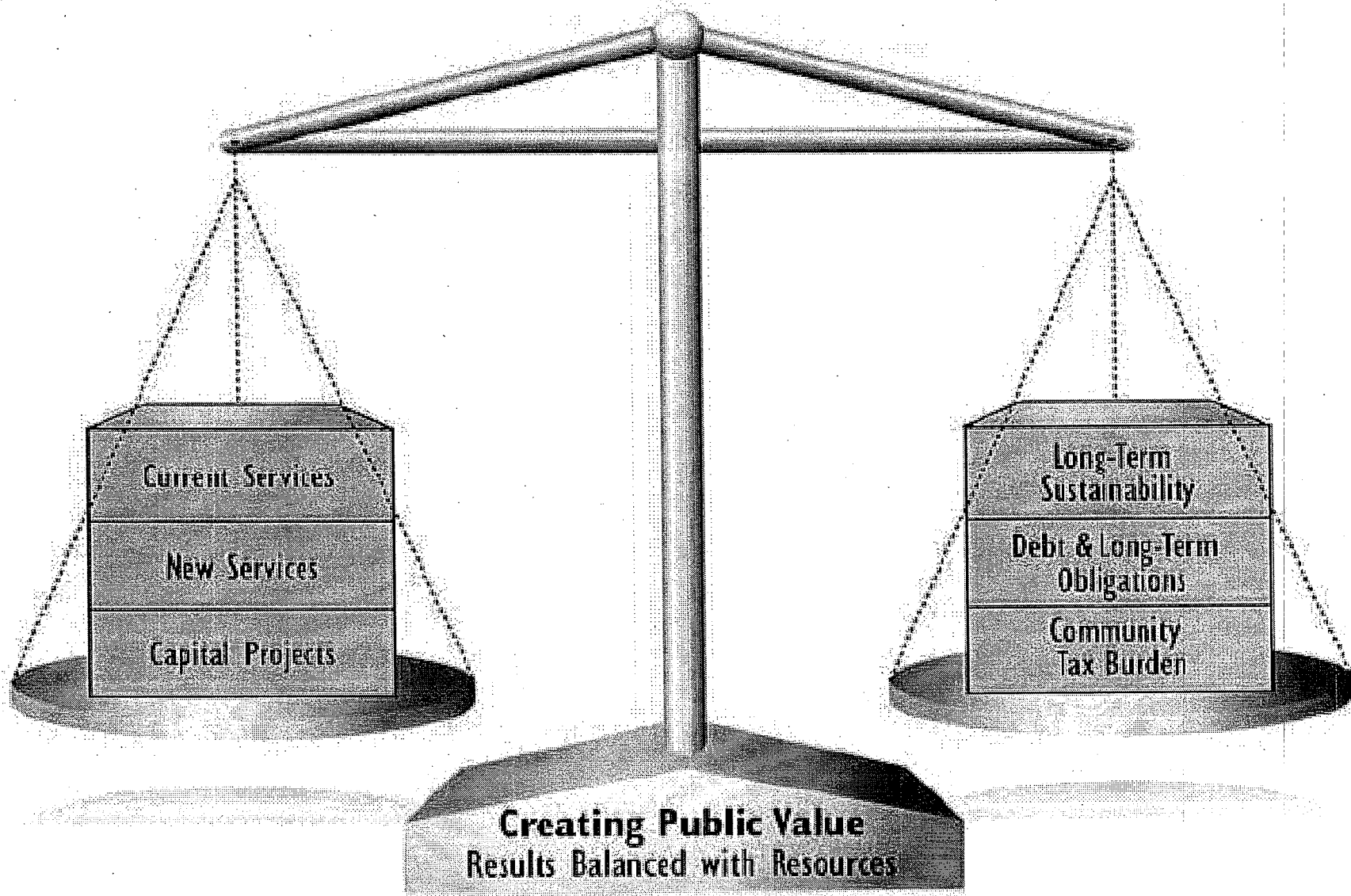
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# Current Financial Challenges

- Vermont and the nation are coming out of a recession
- Expenses rarely go down

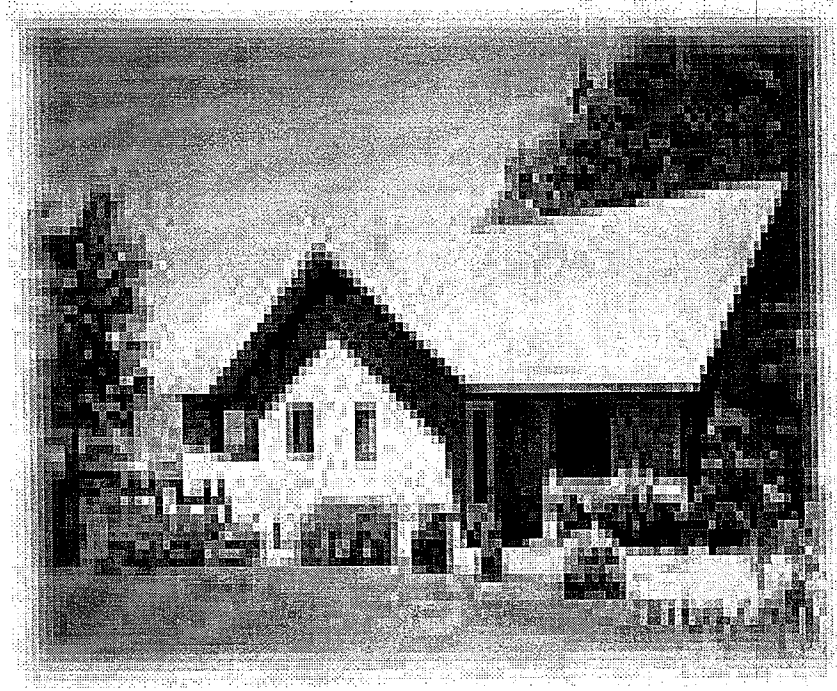


# Need a Balanced Approach



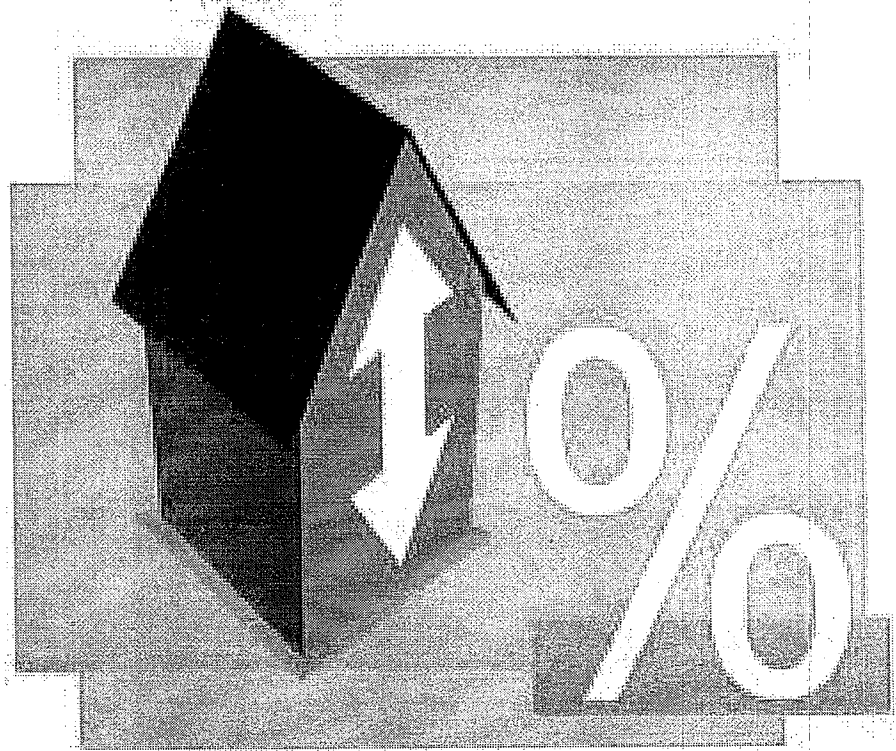
# Reappraisal

The Town is  
undergoing a  
reappraisal that  
will be complete  
for an April 1,  
2011 valuation.



# Reappraisal

During a reappraisal, some property tax rates go up and others go down.



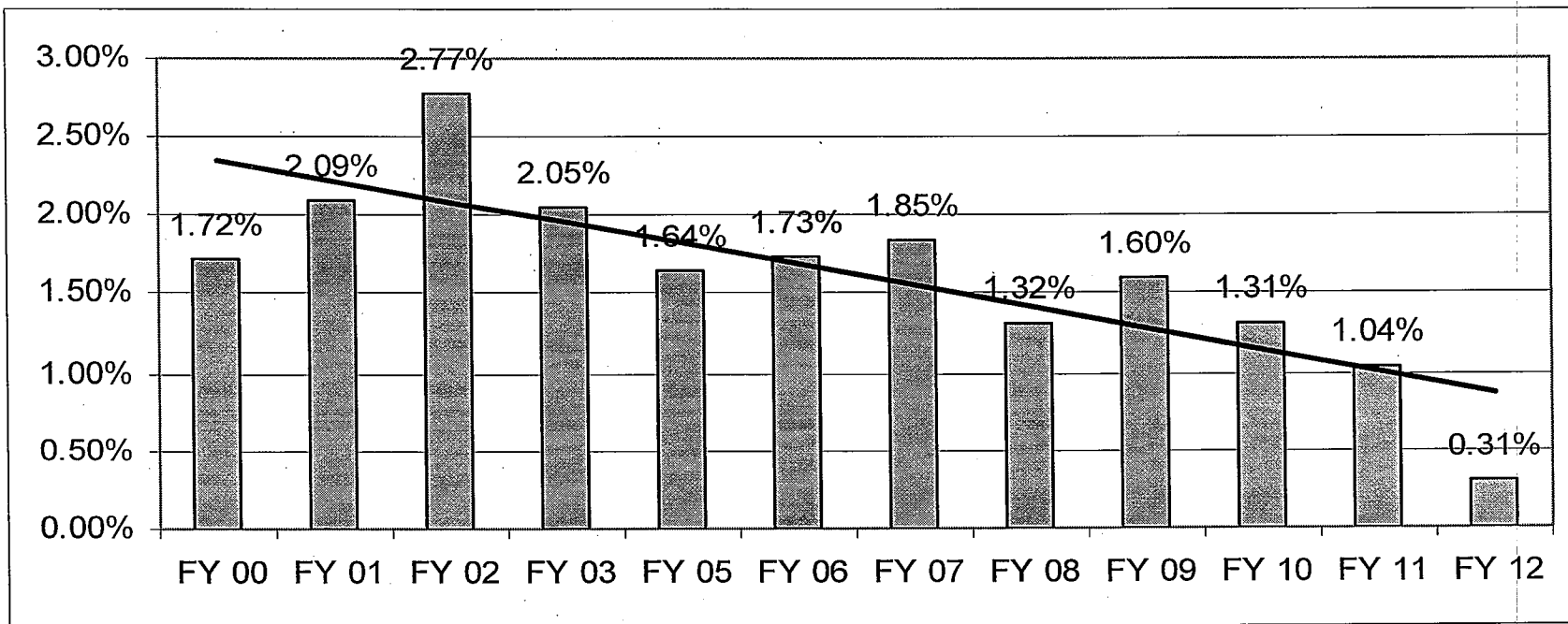
# Reappraisal



The overall goal is to keep the amount of property taxes collected the same as previously, unless there is growth in the Grand List (before reappraisal) or an increase in the budget.

# Increase in Grand List

The Grand List (before reappraisal) isn't growing at the rate it had in previous years



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# **How Colchester will cope with these financial challenges**

- Keep the tax rate increase low, while maintaining all essential services to our citizens
- Reduce the increase in the cost of health insurance



# Health Insurance Switch

- VLCT would have increased our health insurance costs by **27.5%** for calendar year 2011.
- The Town went out to bid and has chosen Blue Cross/Blue Shield to provide our health insurance.



- The average increase is now under **2.5%** for 2011

# General Fund Budget

■ FY 12 Budget	\$10,823,924
■ FY 11 Budget	\$10,776,711

*\$47,213 difference*

Ballot wording:

“Shall the Town of Colchester adopt the Town Operating Budget in the amount of \$10,823,924 for the Fiscal Year July 1, 2011 through June 30, 2012, as recommended by the Select Board?”

# What is the Proposed Tax Increase for FY 2012?

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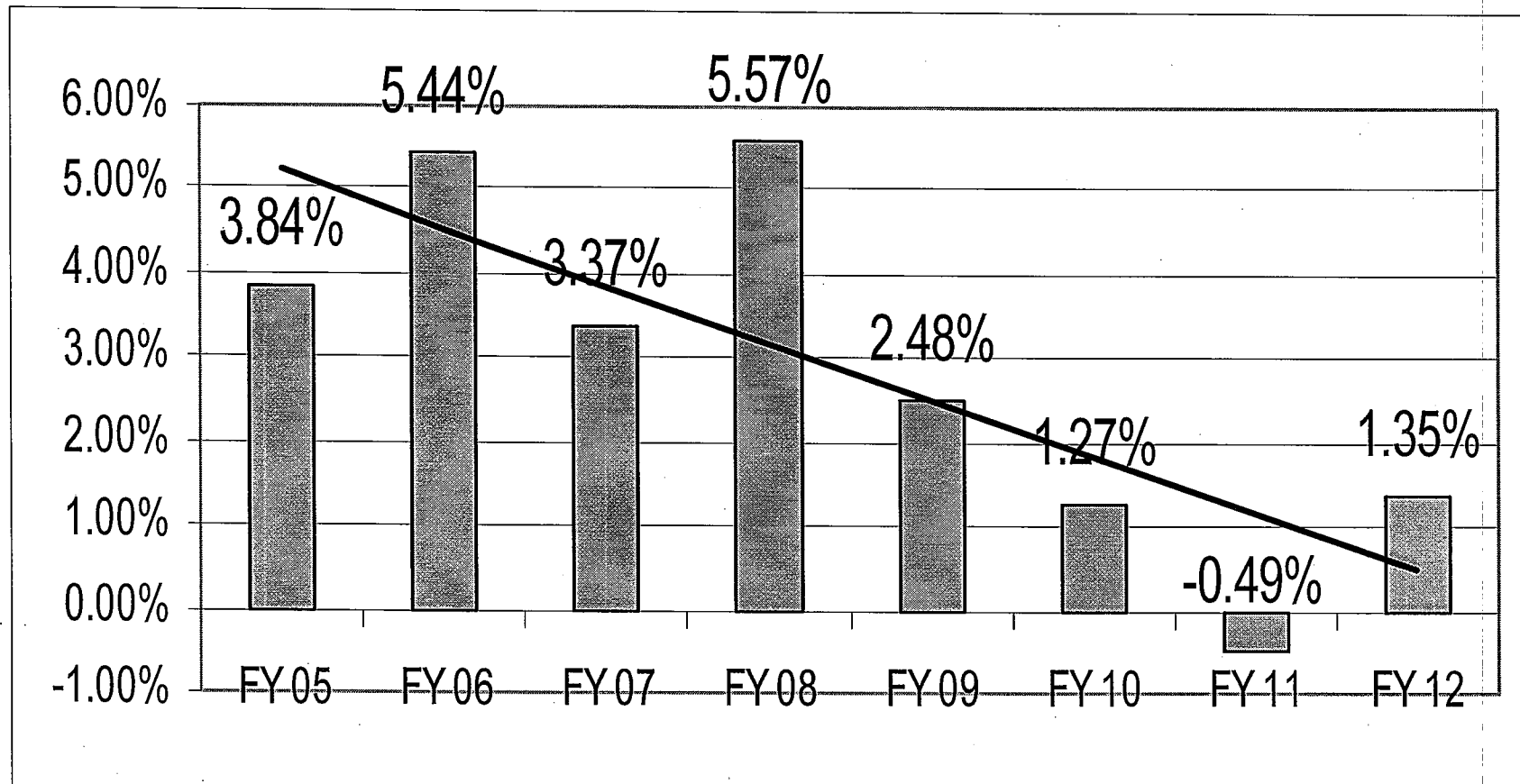
**1¢ or \$0.01**

**Before the effects of reappraisal,  
the tax rate for FY 12 would be**

FY 12 tax rate	\$0.7487
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FY 11 tax rate	\$0.7387
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# Change in Tax Rate (before reappraisal)



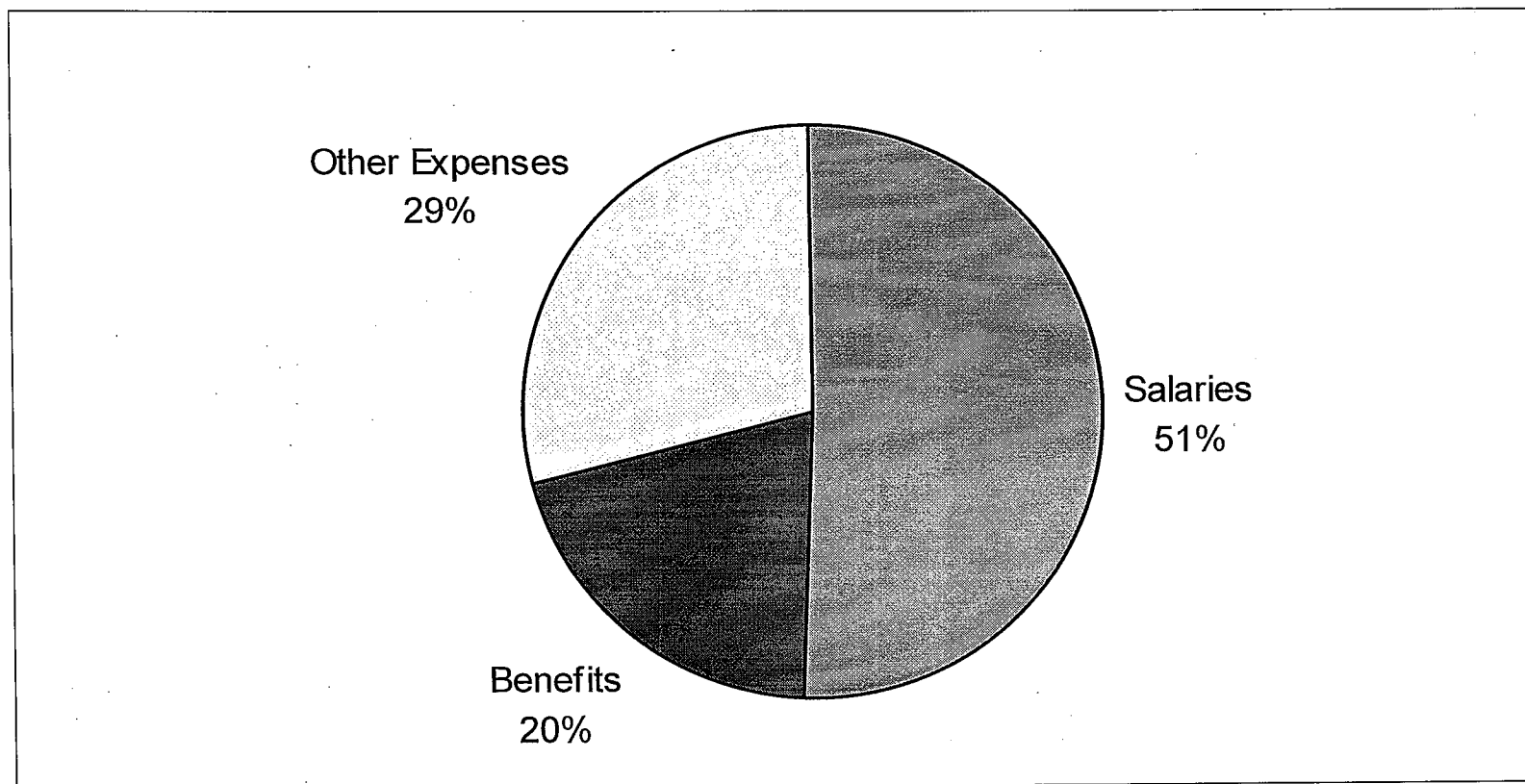
*Decrease in FY 11 is due to reduction in Capital Transportation Plan reduction from 5¢ to 3.25¢ on the Grand List.*

# Where the Revenue comes from

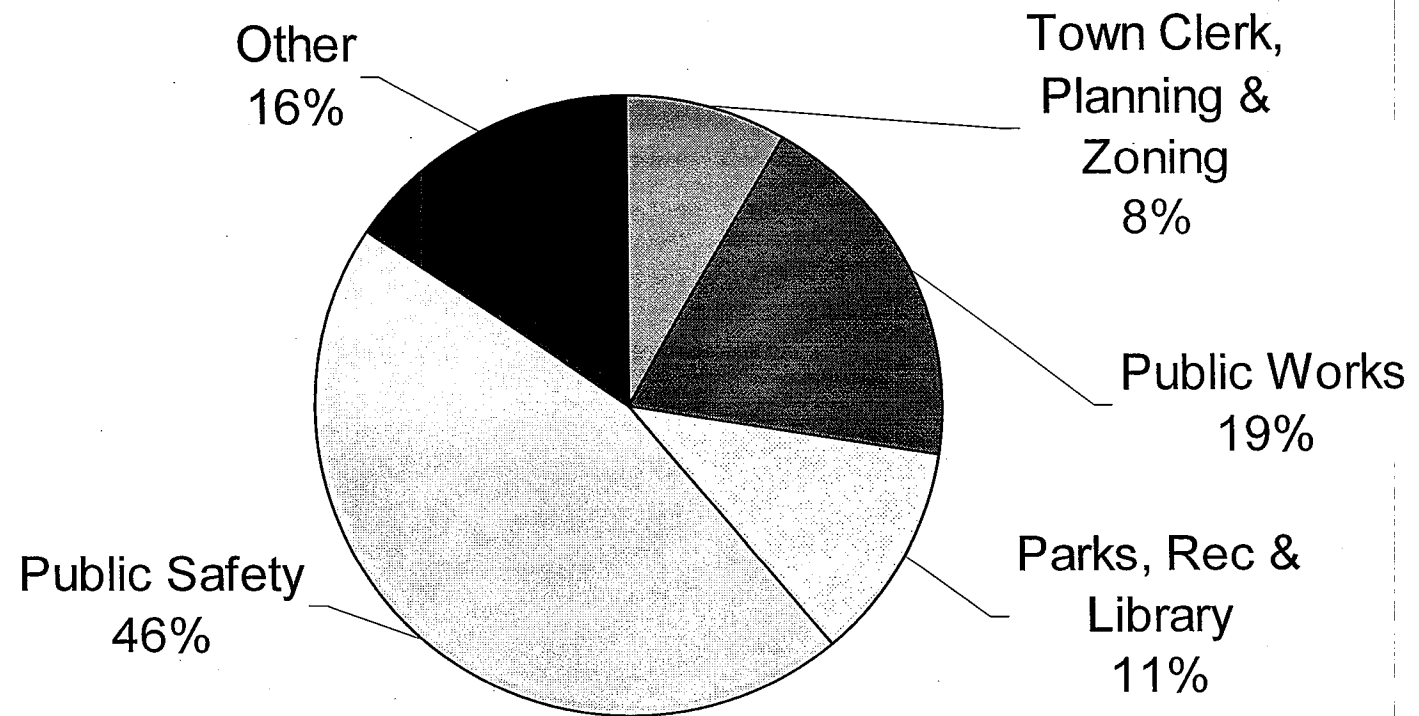
- Property taxes = 80%  
(75% residential, 25% commercial)
- Fees & Licenses = 7%
- From State & local gov. = 5%
- Reduction in Fund Balance = 4%
- Other = 4%



# How the Town Spends General Fund Tax Dollars



# Where the General Fund Budget is Spent



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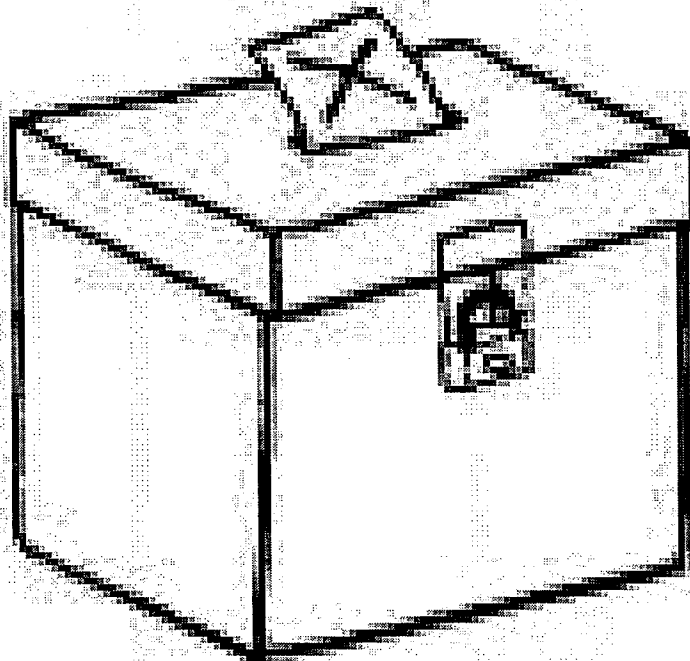
# **Use of Fund Balance Reserves**

- The Town proposes using \$446,916 of the Fund Balance to help pay for increased expenses in FY 12 & to keep the tax rate low
- The Fund Balance should be about 6.5% at the end of FY 12, which is at the low end of the auditor's recommendation that the unreserved Fund Balance be maintained at between 5 to 15% of the next year's budgeted expenditures



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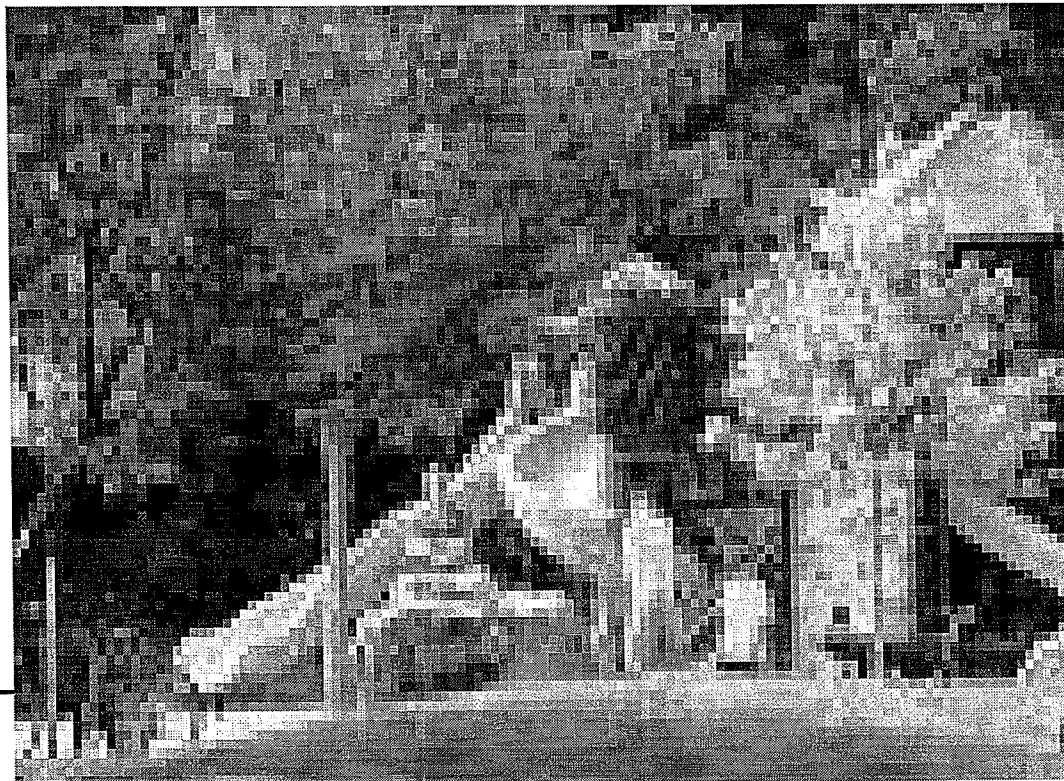
**There is one ballot item that  
comes up for reauthorization  
in FY 12**



# Ballot reauthorization

## Park Capital Plan

- This plan is **currently in existence** and has been for the past 10 years.



# Park Capital Plan

- The previous authorization for the Park Capital Plan was for \$0.0050 on the Grand List.
- Requesting same \$0.0050 rate



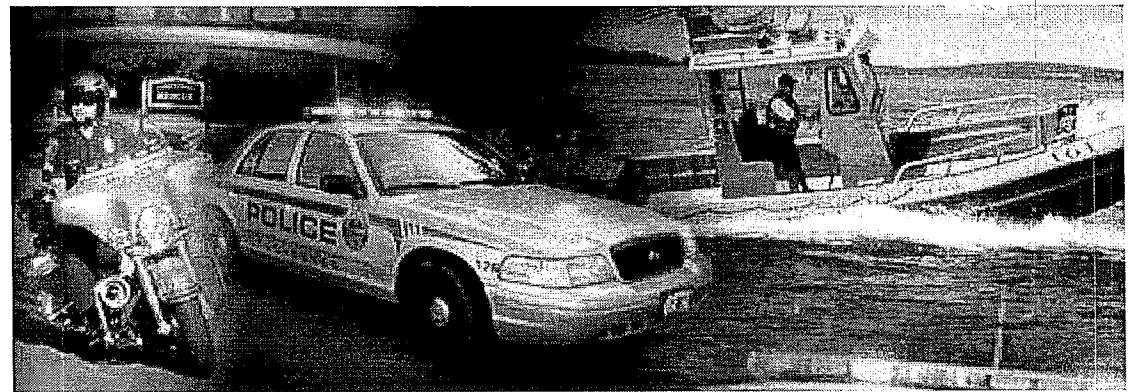
# **Cost of a One Cent Tax Increase in FY 12 (before reappraisal)**

<b>Assessed Value</b>	<b>FY 12 Tax Increase</b>	<b>Weekly Tax Increase</b>
\$150,000	\$15	\$0.29
\$200,000	\$20	\$0.38
\$250,000	\$25	\$0.48
\$300,000	\$30	\$0.58
\$350,000	\$35	\$0.67
\$400,000	\$40	\$0.77
\$450,000	\$45	\$0.87
\$500,000	\$50	\$0.96

# Town of Colchester Services to Citizens

## Public Safety

- ❑ Police
- ❑ Rescue
- ❑ Support for  
volunteer fire  
departments



# Town of Colchester Services to Citizens

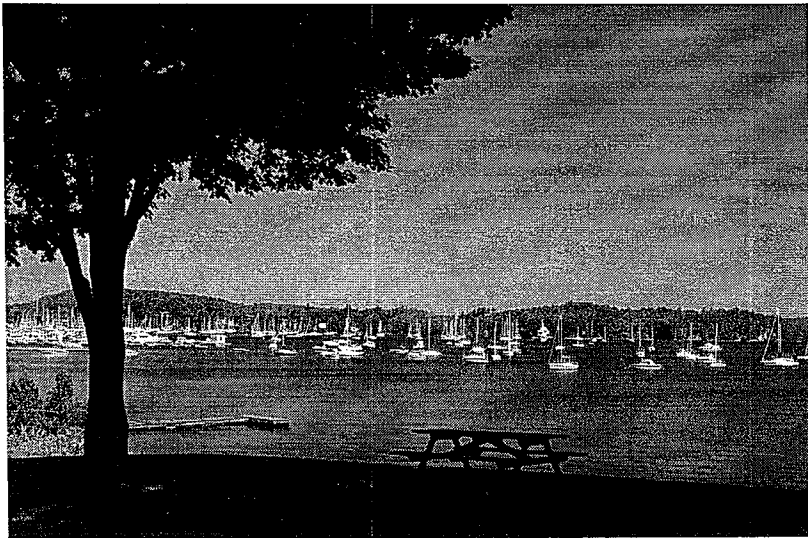
## Public Works

- ❑ Road maintenance
- ❑ Snow removal
- ❑ Building sidewalks & bike paths
- ❑ Drainage
- ❑ Maintenance of Town's infrastructure



# Town of Colchester Services to Citizens

## Recreation

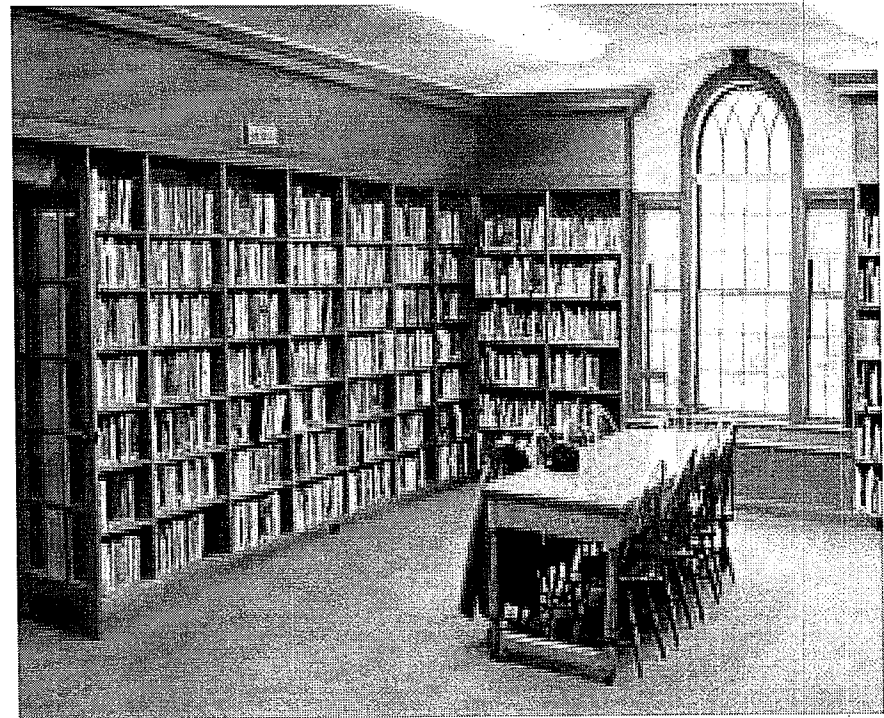




# Town of Colchester Services to Citizens

## Library

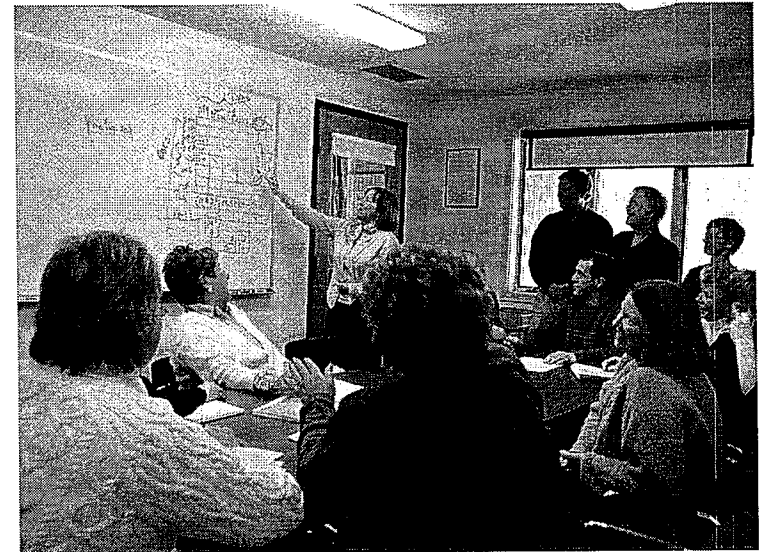
- ❑ Children's story hours
- ❑ Teen programs
- ❑ Wide variety of books, CD's & other items to borrow
- ❑ Computer and internet usage
- ❑ Resources for job hunters





# Town of Colchester Services to Citizens

- Other Town Departments
  - Assessor
  - Town Clerk
  - Planning & Zoning
  - Finance
  - Manager's Office



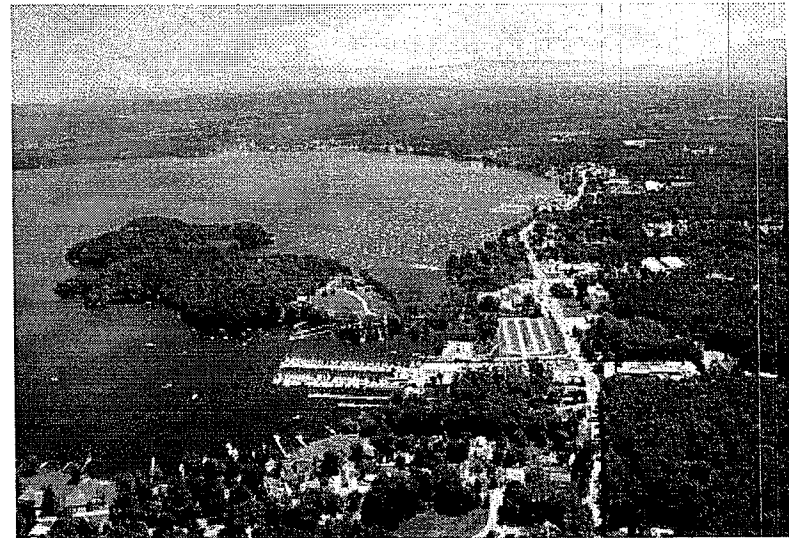
# In summary

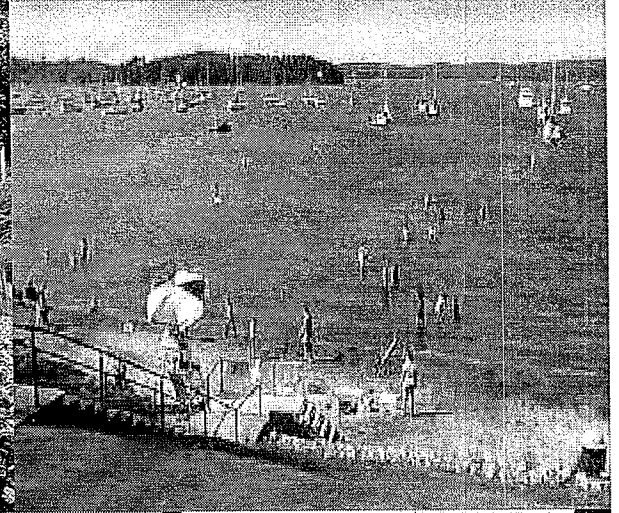
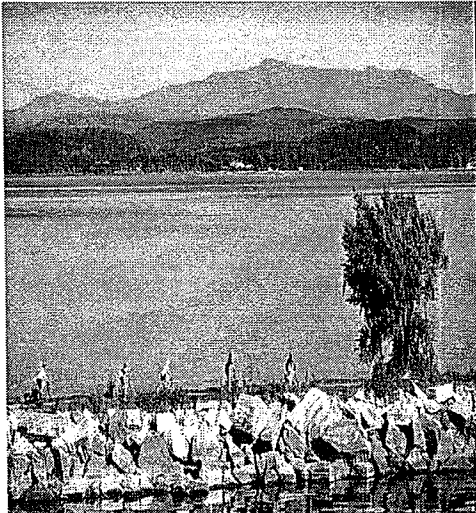
The Select Board is  
presenting a

**1cent**

tax rate increase  
for FY 12

(before reappraisal  
adjustments)





*Support OUR  
Community!*

